This announcement amends and replaces the announcement of the Tulu Kapi Resource Update made by the Company on 18 August 2014 at 7am BST, issued under RNS number 3567P. The revised announcement includes an appendix detailing JORC compliance. All other details remain unchanged. The full amended text is shown below.

18 August 2014

KEFI Minerals Plc
("KEFI" or the "Company")

INDEPENDENTLY VERIFIED JORC COMPLIANT MINERAL RESOURCE REPORTING ON TULU KAPI GOLD DEPOSIT IN ETHIOPIA

KEFI Minerals (AIM: KEFI), the gold exploration and development company with projects in the Kingdom of Saudi Arabia and the Democratic Republic of Ethiopia, is pleased to announce an independently verified updated JORC compliant Mineral Resource reporting of total Indicated and Inferred Resource of 23.7 Mt at 2.51 g/t Au for 1.9 Moz Au at its Tulu Kapi project in Ethiopia.

KEFI Minerals is the manager and operator of the project under the Company's 75%-owned KEFI Minerals (Ethiopia) Limited ("KME") joint venture company with Nyota Minerals. The Competent Persons for the Resources are Simon Cleghorn, Resource Manager of KEFI, and Lynn Olssen, General Manager Geosciences and Senior Principal Consultant of Snowden Mining Industry Consultants Pty Ltd ("Snowden").

HIGHLIGHTS

- A Mineral Resource of **1.9 Moz Au (23.7 Mt at 2.51 g/t Au),** reported in accordance with the JORC Code (2012), has now been estimated after twelve months of intense review by KEFI and its independent specialists and after taking into account all drilling and trenching conducted to date along with improved understanding of geological structural controls. Several independent experts were consulted in formulating the appropriate process for Tulu Kapi and the final independent sign-off was provided by Snowden after taking into account all of the recommendations and data.

- The **Indicated Resource** now stands at **18.4 Mt at 2.57 g/t Au for 1.5 Moz Au** and is now being used to finalise pit design, mine scheduling and Ore Reserves.

    - The updated Indicated and Inferred Resources have been reported at a cut-off grade of 0.45 g/t Au above the 1,400 m reduced level (RL) to represent open pittable resources and at a cut-off grade of 2.50 g/t Au below the 1,400 mRL to represent potential underground mineable resources (tabulated below). Average surface RL in the planned pit is 1,750 mRL. These cut-off grades were based on appropriate computerised optimisation techniques after taking into account the final determination of internal dilution of the Mineral Resources, which were completed as part of the Definitive Feasibility Study carried out during 2012.

    - Total Indicated and Inferred Resource in the open pit area is 22.0 Mt at 2.27 g/t Au for 1.60 Moz Au and high grade mineralisation of 1.62 Mt at 5.81 g/t Au for 303,000 oz Au as underground potential, immediately below the planned open pit.

- Independent Ore Reserve estimation is underway for the open cut and a preliminary economic study on the potential underground resource.

- The overhaul of the project is now well-advanced, for robust and financeable economics in the context of current gold prices and capital markets. The modifications serve to increase project profitability by optimising mine design and mining plans and to reduce the capital requirements by downsizing the plant from 2 Mt pa to c.1.2 Mt pa and the mining fleet correspondingly.

Resource Category	Reporting elevation	Tonnes (Mt)	Au (g/t)	Ounces (Moz)
Open Pittable				
at Cut-Off Grade 0.45 g/t				
Indicated	above 1,400 RL	17.3	2.37	1.32
Inferred	above 1,400 RL	4.77	1.91	0.292
Indicated and Inferred	above 1,400 RL	22.1	2.27	1.61
Underground Mining				
at Cut-Off Grade 2.5 g/t				
Indicated	below 1,400 RL	1.07	5.88	0.202
Inferred	below 1,400 RL	0.56	5.67	0.102
Indicated and Inferred	below 1,400 RL	1.63	5.81	0.304
Total Combined Resources				
Total Indicated	All	18.4	2.57	1.52
Total Inferred	All	5.33	2.30	0.394
Total Indicated and inferred	All	23.7	2.51	1.91

Notes:

- All figures are reported to three significant figures. This may result in discrepancies in the table due to rounding.
- KEFI currently owns 75% of KEFI Minerals (Ethiopia) Ltd, which owns 100% of the Tulu Kapi gold project, and has conditionally contracted to purchase the remaining 25%.

Jeff Rayner, Managing Director of KEFI Minerals, commented:

"We are pleased that the independent review of the Tulu Kapi Resource and JORC compliant reporting validates our belief that we have an attractive open pit project and underground mining potential. This review gives us the correct internal resource dilution to accurately plan Tulu Kapi's development and production.

"The next step of producing the estimate of Probable Reserves is already advanced following which the independent reviews of our plans for project, community and finance will occur in quick succession. As a result, we are on track to lodge the mining licence application during Q4 2014, and, at the same time, expand project documentation for the planned project financing. All this gives the Board confidence that development will commence in 2015."

Enquiries

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COMPETENT PERSONS STATEMENTS

The information in this report that relates to input data used for the Mineral Resources is based on, and fairly represents, information and supporting documentation – the compilation of which was overseen by Simon Cleghorn, Resource Manager and a full-time employee of KEFI and a Member of The Australasian Institute of Mining and Metallurgy. Simon Cleghorn has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Simon Cleghorn consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the interpretation, estimation, classification and reporting of the Mineral Resources is based on, and fairly represents, information and supporting documentation – the compilation of which was reviewed by Lynn Olssen who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Snowden Mining Industry Consultants Pty Ltd. Lynn Olssen has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Lynn Olssen consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Further information on KEFI Minerals is available at www.kefi-minerals.com

BACKGROUND TO THE RESOURCE ESTIMATE

- A number of resource estimates have been carried out at Tulu Kapi since 2009 by various consultants with an expanding database. There has been over 120 kilometres of drilling at Tulu Kapi and over $50 million spent on drilling, project due diligence and planning by previous owners.

- The 2012 Definitive Feasibility Study resource estimate was published by the previous controlling shareholder of KME (the owner of Tulu Kapi) in October 2012. It was carried out using a semi-constrained block model in Datamine using the dynamic anisotropy methodology. The Mineral Resource estimate was reported above a cut-off grade of 0.3 g/t Au and totalled 14.59 Mt at 2.36 g/t Au for 1.108 Moz Au in the Indicated Resource, and 10.31 Mt at 2.30 g/t Au for 0.764 Moz Au in the Inferred Resource.

- After acquiring 75% of KME (the owner of Tulu Kapi) in late December 2013, KEFI updated the existing database in January 2014 to incorporate 71 drillholes, totalling over 16,000 m of drilling that were drilled by the previous controller, post the cut-off date of the October 2012 resource estimate.

- KEFI published its first resource update on 12 March 2014. KEFI used the same October 2012 resource estimation methodology after including more structural data, a corrected database and mining block estimates with the following dimensions: 5.0 m(X) by 5.0 m(Y) by 1.0 m(Z), with 1.0 m composited drillholes. KEFI's March 2014 Mineral Resource was reported in accordance with JORC Code (2012) above a 0.3 g/t Au cut-off and totalled 24.1 Mt at 2.64 g/t Au for 2.051 Moz Au, with an upgrade to 21.2 Mt Au at 2.73 g/t Au for 1.862 Moz in Indicated Resource and 2.9 Mt at 2.03 g/t Au for 0.189 Moz Au in Inferred Resource. The March Mineral Resource was independently reviewed by AMC Consultants Pty Ltd, Australia and all aspects were taken into account in the August 2014 Mineral Resource.

- KEFI continually refined the resource estimate using additional structural data based on surface mapping and trenching plus a small programme of additional Reverse Circulation (RC) targeted at infill drilling and maximising structural interpretation. This work was performed during March to June 2014.

- KEFI's resources update published today incorporated geostatistical parameters agreed with Snowden, after rigorous peer review of various aspects including variography, top-cuts and block sizing. The final recommendations as to how to best account for internal dilution resulted in mining block estimates with the following dimensions: 10.0 m(X) by 10.0 m(Y) by 1.5 m(Z), with 1.0m composited drillholes.

- A tabular comparison of recently published resources, shown at a cut-off grade above 0.3 g/t Au for comparison purposes, as per that reported in the Nyota 2012 Definitive Feasibility Study is presented below.

Resource History Comparative Summary - Indicated + Inferred based on a cut-off grade of 0.3 g/t Au

Period	Tonnes (M)	Au g/t	(M) Oz
October 2012	24.9	2.34	1.90
KEFI March 2014	24.1	2.64	2.05
KEFI - Snowden August 2014	26.1	2.38	2.00

TECHNICAL NOTES ON THE RESOURCE ESTIMATE

- The Tulu Kapi gold deposit is an orogenic gold deposit located in an area consisting of rocks ranging from Pre-Cambrian to Tertiary in age. The gold mineralisation at Tulu Kapi is hosted by an Upper Proterozoic age intrusive, which comprises a coarse grained syentite pluton. These rocks have been intruded into a volcano-sedimentary sequence that was subsequently transformed to mafic and sericitic schists. The Tulu Kapi primary mineralisation is hosted in mafic syenite.

- The input data for the estimate comprised 722 drillholes and trenches totalling 118,738.3 m including 298 diamond drillholes (NQ, HQ and PQ diameter) for 72,032.9m, 342 RC drillholes for 45,611 m and 82 trenches for 1,094.4 m. All drilling and sampling was carried out using industry standard methods. Diamond drilling was sampled using half core while RC samples were riffle split prior to crushing and grinding. Analysis was by fire assay using a 50 g charge and AAS finish.

- Industry standard QAQC sampling and analysis was carried out which indicates that there are acceptable levels of precision and accuracy.

- Mineralisation domains were determined using a 0.3 g/t Au indicator estimate with dynamic anisotropy to align the estimation with the local dip and strike of the mineralisation trends. The indicator estimate was into a block model with parent cells of 5 mE by 5 mN by 1.5 mRL. The 0.3 g/t indicator was determined from a log-probability plot that showed a change in distribution at this grade. Indicator estimates that were greater than 0.37 (37%) were deemed to be mineralised. This was based on visual review of the probability estimate against the data to confirm continuity of mineralisation.

- 1 m composites were coded within the mineralised domain and by major fault block ("Central Zone" and "UNDP Zone"). Given the shallow oxidation profile, no separation was carried out by oxidation domain.

- The data distributions are highly skewed and typically have a high (>1.5) coefficient of variation (CV – ratio of standard deviation to the mean). As a result, top cuts were applied to prevent overestimation and smearing of the comparatively high values into surrounding blocks. Top cuts were 30 g/t Au for the Central and UNDP domains and impact on less than 1% of the grade population.

- Grade estimation was carried out in CAE Studio 3 (Datamine) using ordinary kriging (OK) with dynamic anisotropy to align the estimation with the local dip and strike of the mineralisation trends, into 10 mE by 10 mN by 1.5 mRL parent cells. Block discretisation was set to 4 by 4 by 2 for dynamic anisotropy angles.

- A kriging neighbourhood analysis (KNA) was carried out to determine optimal block size and estimation parameters. The estimation was performed on the mineralised and non-mineralised material defined within each domain (Central and North).

- Estimation was run in a three pass kriging plan, the second and third passes using progressively larger search radii to enable the estimation of blocks un-estimated on the previous pass. The search parameters were derived from the variogram analysis, with the first search distances corresponding to the distance at half of the variogram sill value and the second search distance approximating up to the variogram range.

- Blocks were estimated using a minimum of 10 with a maximum of 30 samples 6 minimum and

30 maximum for pass 2) and a maximum of 8 composites allowed per drillhole.

- The maximum distance of extrapolation points within the method was 45 m.

- A global (dry) density value of 1.4 t/m3 was used for all saprolite material. A global (dry) density value of 2.7 t/m3 was used for all fresh material.

- For the central zone, search radii used during grade estimation were used together with a wireframe encompassing high confidence mineralisation to define classification. Consistent areas of blocks estimated in the first and second searches (within the variogram range) were classified as Indicated Resources and blocks consistently estimated in the third search pass were classified as Inferred Resources. The areas of Indicated Resources are typically drilled out on a 40 m by 40 m grid with areas of 20 m by 20 m.

- The majority of Mineral Resources contained within the north fault block (UNDP) are classified as Inferred Resources, except for a portion representing more closely spaced drilling (approximately 40 m 40 m) which was estimated in first and second search passes.

- The Mineral Resource has been reported as mineable by open pit methods above 1,400 mRL, which is the bottom out elevation for the pit optimisation shells generated as part of the definitive feasibility study. Below 1,400 mRL the Mineral Resource is reported as potentially mineable by underground methods.

- The updated Indicated and Inferred Resources have been reported at a cut-off grade of 0.45 g/t Au above the 1,400 mRL to represent open pittable resources and at a cut-off grade of 2.50 g/t Au below the 1,400 mRL to represent potential underground mineable resources (tabulated above). Average surface RL in the planned pit is 1,750 mRL. These cut-off grades were based on appropriate computerised optimisation techniques after taking into account the final determination of internal dilution of the Mineral Resources, which were completed as part of the Definitive Feasibility Study carried out during 2012.

- Snowden has independently validated the estimate and checked each stage of the estimation process including review of all parameters, macros and classification criteria. Snowden considers that there are no material issues with the estimate.

NOTES TO EDITOR

KEFI Minerals Plc

KEFI is now positioned as an operator of two advanced gold development projects within the highly prospective Arabian-Nubian Shield, with an attributable 1.6 Moz (75% of Tulu Kapi's 1.9 Moz and 40% of Jibal Qutman's 0.5 Moz) Au Mineral Resources (JORC 2012) plus significant resource growth potential. Upon closure of the acquisition by KEFI of 100% of KME, attributable in-situ gold would be 2.1 Moz (100% of Tulu Kapi's 1.9 Moz and 40% of Jibal Qutman's 0.5 Moz). KEFI targets that production at these projects generate cash flows for further exploration and expansion as warranted, recoupment of development costs and, when appropriate, dividends to shareholders.

Expected milestones for the remainder of 2014 include the following:

- Independent verification of revised mine plan
- Independent verification of estimates for capex, opex and closure
- Closure of acquisition of the remaining 25% of Tulu Kapi
- Nyota shareholders to receive shares in KEFI

- Independent verification of Ore Reserves
- Assembly of bank syndicate and agreement of indicative terms sheet for project finance
- Re-activation of Tulu Kapi Mining Licence Application, suspended mid-2013 by Nyota
- Application for Jibal Qutman Mining Licence for G&M Joint Venture in Saudi Arabia

KEFI in Ethiopia

KEFI Minerals has conditionally acquired the remaining 25% to have 100% ownership of the Tulu Kapi licence in western Ethiopia and intends to refine the development plan for the project, aimed at reducing the previously planned capital and operating expenditure. Early research has yielded encouraging results and was summarised in recent announcements in respect of the Tulu Kapi acquisition transaction.

At the end of 2013, the Ethiopian Government improved the fiscal regime applying to the gold sector, and Tulu Kapi in particular. This included lowering the income tax rate for mining (to 25% from 35%); settling of repayment schedule for inherited VAT liability (over three years rather than up-front); the removal of VAT on future exploration drilling expenditure; lowering royalty on gold mining (to 7% from 8%); accelerating the depreciation of historical and future capital expenditure (over four years); and clarifying the workings of the Government's 5% free-carried interest so that it does not impede conventional project financing terms.

KEFI Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed the Gold and Minerals Joint Venture Company ("G&M") in Saudi Arabia with local Saudi partner Abdul Rahman Saad Al-Rashid & Sons Company Limited ("ARTAR"), to explore for gold and associated metals in the Arabian Shield. To date, the G&M has conducted preliminary regional reconnaissance and lodged 30 Exploration Licence Applications (ELAs), of which four have been granted. Two of the granted ELs were relinquished in May 2014.

The ELAs were initially applied for and granted to ARTAR. Incorporation of G&M has been completed and any granted Licences will be transferred into G&M in due course.

The Kingdom of Saudi Arabia has instituted policies to encourage minerals exploration and development and KEFI Minerals supports this priority by serving as the technical partner within G&M. ARTAR also serves this government policy as the major partner in G&M, which is one of the early movers in the modern resurgence of the Kingdom's minerals sector.

DEFINITIONS OF EXPLORATION RESULTS, RESOURCES & RESERVES

EXTRACTED FROM THE JORC CODE: (December 2012) (www.jorc.org)

A 'Mineral Resource' is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.

A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.

An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• For diamond drill core, after delivery to a dedicated core yard, core was photographed and sample intervals were marked by a geologist and the core was split using Clipper diamond core saws. Core recovery and RQD were measured at the diamond drill site right out of the inner tube using trained technicians. Half core samples were submitted to the on site preparation facility for drying, crushing and pulverizing. The samples were typically taken at 1 m intervals in expected mineralisation and 2m intervals in expected waste except where the samples crossed lithological boundaries. In this instance, the samples were terminated at the lithological contact. All samples taken were greater than 30 cm in length. Sampling of diamond core followed industry standard procedures. • RC drill samples were sampled every meter and were bagged and riffle split at the drillhole if they were dry and a sample of approximately 3 kg was kept for sample preparation. RC samples were submitted to the on site preparation facility for drying, crushing and pulverizing. Sampling of dry RC chips followed industry standard procedures. • Wet RC samples were taken in their entirety to the sample storage facility and riffle split with a clean water wash between splits. Wet RC samples were submitted to the on site preparation facility for drying, crushing and pulverizing. Splitting of wet RC samples is not ideal however care was taken to ensure riffle splitters were kept clean and sample quality was considered to be acceptable. • Trench samples were collected from trenches that were dug by hand and up to 3 meters deep. Samples were collected under the supervision of the senior geologist from the base of the trench using either a geologist's pick or a jack-hammer in the harder rock. Samples were taken at 1 m intervals except where lithological boundaries were crossed and the minimum sample length is 0.3 m. • Appropriate care was taken by supervising geologists at the drillhole and at the sample storage facility to process both diamond core and

Criteria	JORC Code explanation	Commentary
		RC chip samples. Lithologies were respected as boundaries for sampling where a mineralized lithological unit was greater than 0.3 m drilled thickness. • Both diamond drill core and RC chips samples were sample prepped and assayed via an industry standard procedure. Sample prep was carried out onsite and the resulting 100 g pulp assayed by fire assay using a 50 g charge and AAS finish.

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond drilling was carried out with typically 3 core diameters, PQ (8 5mm) in saprolite and through the saprolite to the fresh/transitional boundary, HQ (63mm) to a depth of 100 m and NQ (47mm) to depths beyond 100 m. All diamond core was orientated .Downhole survey was carried out via an EZTrack survey system by Reflex with an initial survey carried out at 25 m and then a survey carried out at every 50 m from then on. Non vertical diamond drill holes following TKBH_080 were oriented using Reflex ACT II and ACT III orientation instruments. Three consecutive runs which lined up within 10 degrees of one another were considered to be of high confidence orientation.
		• RC drilling was carried out with a face sampling hammer and 8 inch bit in the saprolite layer reducing to a 3 ½ inch bit in the fresh material. RC holes were surveyed using the Reflex EZ Track inside 6 m of stainless steel rods which immediately followed the hammer. Survey frequency was every 50 m;
		• 722 drillholes and trenches totaling 118,738.3 m were used in the preparation of the resource estimate including:
		  • 298 diamond drillholes (NQ, HQ and PQ diameter) for 72,032.9 m.
		  • 342 reverse circulation drillholes for 45,611 m.
		  • 82 trenches for 1,094.4 m.

Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond drill core sample lengths were measured and lengths recoded after logging in order to be able to determine core recovery. Core recovery averaged 95% through all rock types and types of ground. Due to good recoveries, triple tubing was not used. • Kefi's RC drill chip samples of 1 m were weighed and weight recorded to determine if weight was within a satisfactory range compared to the expected 25 kg. Previous operators also recorded sample recovery by percentage or weight for 58% of RC holes.

Criteria	JORC Code explanation	Commentary
		• Recording of core sample lengths against drill meters and RC drill chip samples against expected weight was well documented and records available in a verified database. • Sample recovery is good at Tulu Kapi due to the competent granitoid ground and relatively thin overburden and completely oxidized horizon. For diamond drilling, PQ diameter was used for collaring holes to maximize recovery in the clay rich ground. Also, water feed was turned down and down force increased to prevent material from washing out of the inner tube. • Drilling of RC samples below the water table showed a variability in sample weights for wet samples. Previous statistical studies during the definitive feasibility study suggested wet RC samples tended to underestimate gold grade compared to diamond drill samples below the water table.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• For diamond drill core and RC drill chips, logging was carried out to determine mineralization intervals based on alteration type, presence of quartz veining and sulphide occurrence. • Diamond drill core was logged for lithology, structure, texture, mineralization, alteration type, color and weathering intensity and sulphide occurrence. Core was photographed in the trays at the sample storage facility. RMR and Q systems were logged for the geotechnical programs for all diamond drilling from TKBH_080, excluding the 20m by 20 m infill program. The half core not sampled is stored in a locked secure shed for future reference. • RC drill chips were logged for lithology, alteration and mineralization type and a small sample kept from each meter in plastic chip trays as a logging record in a locked secure shed • Trenches were logged for lithology, alteration and mineralization type and were all photographed before being filled back in. • Up to 2012, primary data gathered in the field were recorded on paper logging sheets which is then transferred to an electronic Access master database via a trained database manager. Following 2012, electronic logging was carried out for geological and geotechnical logging. • All sample intervals returned from drilling activities were logged. • Kefi consider that geological and geo-technical logging has been carried out to an appropriate level to support resource estimation and

Criteria	JORC Code explanation	Commentary
		mine planning studies.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core was sawn with Clipper core saws and half taken for sample preparation and assay. • RC chips were riffle sampled at the drill site if dry and riffle sampled at the sample storage facility if wet. • Sample sizes are industry standard for the type of rock and mineralization being sampled. • Sample preparation was carried out onsite by trained staff following industry standard procedure with the assistance of a professional laboratory manager to train and monitor performance. • A total of four QAQC samples were inserted into the sample stream for every 20 samples processed and included a blank (local Ambo sandstone), standard, crush duplicate and pulp duplicate. A blank sample was also processed after every sample through the jaw crusher and pulveriser in order to prevent contamination. • The database is constructed so that automatic checks on the input data are carried out with both crushed and pulp duplicates plotted against the primary sample value. • Snowden reviewed the QAQC results for standards, duplicates and blanks and considers the precision and accuracy acceptable for this style of deposit. • All diamond half core has been kept stored in a secure sample storage facility as has a 200 to 250 g pulp duplicate (from the on site sample preparation lab) from RC drill meters. Duplicate samples have not been processed but are available for processing.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying and laboratory procedures are industry standard. • Analysis of assays was carried out at a certified laboratory, ALS Laboratory Group, Johannesburg, South Africa using a certified method (Au-AA26) with certified instruments. • ALS Laboratories Group internal checks as per their standard operating procedure were used for laboratory testwork. This results in the equivalent of 10% of the total samples received being independently re-assayed as QAQC samples. • In 2012, 5% of mineralized samples were re assayed by SGS Perth and no material difference was found between the original ALS assays and the SGS umpire results. • Grind size testing is carried out and the results recorded in a

Criteria	JORC Code explanation	Commentary
		laboratory log book. Digitization of this data is in progress. • More recent exploration by Kefi has followed the same procedures using ALS Romania and Al Amri in Saudi Arabia.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intercepts were reviewed and verified visually by an independent consultancy, Wardell Armstrong, as part of preparing the resource statement for a definitive feasibility study carried out in November 2012. • Kefi Minerals Plc senior geological staff have also carried out in intensive 6 month review of significant intersections and associated data. • Twinned holes have not been used on significant intercepts. • Up to 2012, primary data gathered in the field were recorded on paper logging sheets which is then transferred to an electronic database via a trained database manager. Following 2012, electronic logging was carried out for geological and geotechnical logging. • Assay results returned to the project from ALS were received in Excel format and copied in an in-house designed Access database. • The database is constructed so that automatic checks on the input data are carried out with both crushed and pulp duplicates plotted against the primary sample value. • No adjustment to assay data has been carried out.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole and trench collar co-ordinates are initially located using GPS. When drilling has been completed, the collar location is re-surveyed using a Total Station by a geological survey team from Addis Ababa. • WGS84–Zone 36N grid was used. • In 2012, Light Detecting and Ranging (“LiDAR”) survey of the Tulu Kapi area was commissioned and new color orthographic photos, covering some 52 km^2 (5,200 ha), as this provides complete and coverage of the project, given the remote and rugged terrain in the area. This survey was completed by Fugro MAPS of United Arab Emirates (Fugro). • From observations it is apparent that the LIDAR has some discrepancies with the drillhole collars not matching the LIDAR generated digital terrain model. The average difference between the LIDAR survey and the collars is 2.7 m. For this resource estimate the digital terrain model that was generated by the LIDAR survey has

Criteria	JORC Code explanation	Commentary
		subsequently been lowered by 2.7 m to better fit the drillhole collars. There are still small discrepancies between the LIDAR generated digital terrain model and the drillhole collars and it is recommended that a topographic survey is completed before the next resource estimate
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• 40 m by 40 m to 40 m by 20 m through the central part of the deposit to 40 m by 80 m at the peripheries. • From surface mapping, on strike continuity is on the 100 m scale. • Snowden and Kefi consider the drill spacing appropriate for the current classification of the Mineral Resource. • A 1 m sample composite length downhole has been applied after histogram analysis of sample length indicates the predominant sample length to be 1 m.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drilling has generally been carried out on a 40 m grid orientated at an azimuth of 050° or vertically. The mineralization is interpreted to strike NNE-SSW and dip 30° to the northwest, the drilling orientation is not ideal for sampling the principal mineralization orientation however sufficient data density exists and sufficient work has been carried out via drillhole logging, detailed mapping and statistical analysis that the sampling is considered to be unbiased. • Sampling is not considered to be biased.
Sample security	• *The measures taken to ensure sample security.*	• Previous quality assurance protocol documentation and independent QAQC audits undertaken by Venmyn Consultants (2009/2010) indicate that all chain of custody procedures have been in place and followed from early on in the exploration process. Custody procedures included and cover the signing-off of sheets for the transfer of core from rig to core shed, core sampling to sample preparation and prepared samples from sample preparation facilities to Addis Abba and then by air freight to ALS in Johannesburg and receipt of samples at the analytical laboratory. • More recent exploration by Kefi has followed the same procedures with ALS Romania and Al Amri in Saudi Arabia.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A significant amount of independent auditing and review of sampling techniques and data have been carried out by a variety of consultants since 2009, including Wardell Armstrong for the 2012 definitive feasibility study who considered no significant issues regarding the

Criteria	JORC Code explanation	Commentary
		integrity of the database and that it was fit for purpose. • As part of the August 2014 Mineral Resource, Snowden has independently validated the database and found no material issues. Snowden considers the database appropriate for use in resource estimation.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Tulu Kapi license was originally granted to Golden Prospect Mining Company Limited ("GPMC") in May 2005 as the Tulu Kapi and Ankore Exploration License, number 127-128/97, covering an area of 20.32 km2. GPMC was acquired by Nyota and became a wholly owned subsidiary in October 2009 and subsequently changed its name to Nyota Minerals (Ethiopia) Limited ("Nyota (Ethiopia)"). Since its grant in 2005 portions of the license area have been progressively relinquished as required under Ethiopian mining law, such that it now consists of an irregular polygonal shape having a total area of 8.44 km2. • In addition to the Tulu Kapi license, the Tulu Kapi project and the conversion application include the adjacent Ankore license areas, for a total area covered, of 11.33 km2. • The Tulu Kapi license is currently an exploration license (EL). An application to convert it to a Large Scale Mining License (MLA) was made on 11 May 2011. Under Ethiopian law an exploration license gives the holder the exclusive right to explore for minerals within the area specified in the license for an initial period of three years. The license may be renewed twice for additional terms of one year each. The licensing authority may further allow extension or renewal to be made on each anniversary where the licensee proves the necessity to undertake exploration activity beyond the initial work programme, provided such period does not exceed a further five years in total. The Tulu Kapi licence was in its third renewal period (issued 25 May 2010 for a period of one year) when Nyota applied for a mining license on 11 May 2011. Nyota received assurances from the Ministry of Mines that title to the Tulu Kapi license endures while the mining license application is processed.

Criteria	JORC Code explanation	Commentary
		• Nyota withdrew the MLA in 2013 and in 2013, the Tulu Kapi EL was renewed to May 2015. • KEFI Minerals Plc (KEFI) acquired 75% of the share capital of Nyota Minerals (Ethiopia) Ltd (NME), the owner of the Tulu Kapi Project and surrounding Exploration Licenses, in December 2013. • NME underwent a name change in 2014 to KEFI Minerals (Ethiopia) Ltd (KME). • KEFI announced the acquisition of the remaining 25% of KME in June 2014. The sale is subject to shareholder approval by Nyota Minerals Ltd, which will be held by Nyota General Meeting on 27 August 2014.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• An Italian company, SAPIE, discovered the Tulu Kapi project in the 1930's and mined 947,000 m^3 at 1.22 g/m^3 for 1,154 kg of gold. • The earliest formal exploration of the Tulu Kapi area took place in the 1970s under the guidance of the UNDP, which undertook reconnaissance exploration over a wide area of western Ethiopia between 1969 and 1972. The work was largely reconnaissance level and regionally biased and included stream sediment and soil geochemical sampling, programmes, geophysical surveys, detailed geological mapping, and diamond drilling. • Tan Range Exploration Company (TREC), a Canadian registered company, acquired an exploration license over an area that incorporated the current Tulu Kapi license and undertook further exploration between 1996 and 1998, including detailed geochemical soil sampling, mobile metal ion (MMI) soil geochemistry, and an induced polarisation (IP) survey. Five diamond drill holes totaling 366 m were drilled in a 200 m by 200 m area immediately north of the old SAPIE mining area which targeted coincident geochemical soil and IP anomalies. • The Tulu Kapi - Ankore Exploration License (Tulu Kapi or Tulu Kapi License) was granted to Minerva Resources through its wholly owned subsidiary Golden Prospect Mining Company (GPMC) on 27 May 2005. GPMC undertook further detailed geological mapping, trenching, geophysics and diamond drilling within the license area and the data generated by TREC was adopted subsequently by GPMC who geo-referenced it to UTM coordinates from local grids. In 2006 GPMC excavated two new trenches and undertook geological mapping and sampling. It subsequently conducted IP-resistivity

Criteria	JORC Code explanation	Commentary
		surveys (two profiles aligned along a northeast-southwest direction) covering an area of 400 m by 400 m in May 2009 and additional gradient resistivity work covering an area of 800 m by 400 m and a ground magnetic survey covering 2.5 km by 1.2 km. Diamond drilling was carried out on an 80 m by 80 m grid and included 34 inclined holes, centered on gold soil anomalies, to a maximum depth of 200 m. • Minerva Resources (GPMC's parent company) was acquired by Dwyka Resources Limited (now Nyota Minerals Limited) in July 2009, making GPMC a wholly owned subsidiary. Following this acquisition an aggressive exploration programme commenced, comprising some early trenches (14), exploration / resource definition drilling and infill resource drilling using both diamond drilling and reverse circulation (RC) drilling. • Up to December 2012 296 diamond drillholes (DD) for a total of 72,000 m, including the 34 diamond drillholes completed by GPMC and 38 diamond tails for 10,541 m; and 332 RC drillholes for a total of 45,000 m, have been completed at Tulu Kapi. • Since acquisition of the Project by Nyota, Mineral Resource estimates reported in compliance with the JORC Code and a NI 43-101 PEA have been completed by independent geological and mining consultants, Hellman and Schofield ("H&S") of Australia, Venmyn Rand (Pty) Ltd ("Venmyn") of South Africa , SRK Consulting ("SRK") of the UK and Wardell Armstrong ("WAI") of the UK.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Tulu Kapi gold deposit is an orogenic gold deposit located in an area consisting of rocks ranging from Pre-Cambrian to Tertiary in age. The gold mineralisation at Tulu Kapi is hosted by an Upper Proterozoic age intrusive, which comprises a coarse grained syentite pluton. These rocks have been intruded into a volcano-sedimentary sequence that was subsequently transformed to mafic and sericitic schists. • The Tulu Kapi primary mineralisation is hosted in mafic syenite. The unaltered syenite is predominantly a medium to coarse grained rock composed of 60 to 70% pink to white alkali feldspar, 20 to 25% plagioclase, and 10 to 15% ferromagnesian minerals and minor interstitial quartz. The ferromagnesian minerals consist mainly of biotite with minor amphibole and magnetite. The mineralisation is associated with shallow (approximately 30°) north-west dipping zones

Criteria	JORC Code explanation	Commentary
		of quartz-veined, highly albitised, metasomatic alteration centered on the Bedele Shear zone. • The albitised zones are of a lensoid nature comprising discrete stacked bodies that pinch and swell both along strike and down dip. A gradational contact of only a few centimeters with the unaltered mafic syenite is exhibited and the thickness of the individual albitised zones is highly variable. Mafic rocks (dolerite) representing dykes and / or sills are present within the syenite and are up to 10 m in thickness.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• No exploration conducted during the period covered by the Resource statement.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No exploration conducted during the period covered by the Resource statement.
Relationship between mineralisation widths and intercept	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No exploration conducted during the period covered by the Resource statement.

Criteria	JORC Code explanation	Commentary
lengths		
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• No exploration conducted during the period covered by the Resource statement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• No exploration conducted during the period covered by the Resource statement.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No exploration conducted during the period covered by the Resource statement.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• No further work is planned prior to completion of detailed mine planning studies.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Exploration work was conducted under a quality management system involving all stages of exploration, from the drilling and sample collection to resource estimation. All field data were either captured by hard copy and subsequently uploaded to a spread sheet system or captured electronically, checked for consistency and added to the database with all original entered spreadsheets stored. The database was checked for input errors at different stages, from the field office to the head office in Addis Ababa. The master database is managed by a Geological Database / GIS Manager based at Tulu Kapi, with quality control and sampling protocol coordinated by a quality control manager. • Snowden carried out basic validation checks on the data supplied by the Company prior to resource estimation. No significant errors were

Criteria	JORC Code explanation	Commentary
		identified by the validation.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Extensive site visits carried out by Kefi personnel over a period of 9 months for data verification and review including working with local staff on-site who have a long history with the project and qualified expatriate staff also familiar with the project. All relevant data, physical and digital were reviewed as well as technical procedures for cataloguing, recording, storing and using the results of data. No significant issues or problems were observed. • A site visit was completed by Snowden between 17 July and 23 July 2014. The site visit included review of general geology, drilling, sampling and assaying procedures, onsite laboratory, bulk density measurement procedure, logging procedures and QAQC. No material issues or problems were observed.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• Geological and structural interpretation of the Tulu Kapi area has been based on surface mapping and drillhole interpretation and logging by a variety of consultants and qualified national staff working for the project since 2009. All data available has been used and is also available for review in digital or analogue format • An alternative interpretation is only likely to be regarding subtle controls on mineralization, particularly local variations in strike, dip and thickness of mineralized zones and is unlikely to materially affect the estimate. • Mineralisation domains were determined using a 0.3 g/t Au indicator estimate with dynamic anisotropy to align the estimation with the local dip and strike of the mineralisation trends. The indicator estimate was into a block model with parent cells of 5 mE by 5 mN by 1.5 mRL. The 0.3 g/t indicator was determined from a log-probability plot that showed a change in distribution at this grade. Indicator estimates that were greater than 0.37 (37%) were deemed to be mineralized. This was based on visual review of the probability estimate against the data to confirm continuity of mineralisation. • For the dynamic anisotropy, dip and strike strings were used to define the orientation of the mineralized structure. Dip strings were based on the updated 2012/2013 structural interpretation in which the mineralization was defined by structures which dip around 30° to the northwest. Dip strings were generated on 20 m section spacing and attempted to join intersections in which grade continuity was

Criteria	JORC Code explanation	Commentary
		identified. Strike strings were generated on horizontal sections with a section density of 2.5 m. • Mineralised domains are defined within the Central and UNDP (Northern) areas of the deposit which are separated by faulting. • A complex structural environment and genesis exists with narrow shallowly dipping stacked veins which pinch and swell along strike and down dip. • The relationship with grade, alteration, quartz veining and structure are not yet fully understood however structural geology interpretation and investigation is beginning to improve the understanding of the factors controlling grade continuity.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• Mineralization as modeled extends for some 980 m along strike, 520 m in width near surface and extending to a depth of some 560 m. Mineralization narrows to the south and narrows to the north at depth within the currently interpreted mineralization boundaries.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if*	• The 1 m composites were coded within the mineralised domain and by major fault block (Central and UNDP). Given the shallow oxidation profile, no separation was carried out by oxidation domain. • The data distributions are highly skewed and typically have a high (>1.5) coefficient of variation (CV – ratio of standard deviation to the mean). As a result, top cuts were applied to prevent overestimation and smearing of the comparatively high values into surrounding blocks. Top cuts were 30 g/t Au for the Central and UNDP domains and impact on less than 1% of the grade population. • Grade estimation was carried out in CAE Studio 3 (Datamine) using ordinary kriging (OK) with dynamic anisotropy to align the estimation with the local dip and strike of the mineralisation trends, into 10 mE by 10 mN by 1.5 mRL parent cells. Block discretisation was set to 4 by 4 by 2. • A kriging neighbourhood analysis (KNA) was carried out to determine optimal block size and estimation parameters. The estimation was performed on the mineralised and non-mineralised material defined within each domain (Central and North). • Estimation was run in a three pass kriging plan, the second and third passes using progressively larger search radii to enable the estimation of blocks unestimated on the previous pass. The search parameters were derived from the variogram analysis, with the first search distances corresponding to the distance at half of the

Criteria	JORC Code explanation	Commentary
	available.	variogram sill value and the second search distance approximating up to the variogram range. • Blocks were estimated using a minimum of 10 with a maximum of 30 samples 6 minimum and 30 maximum for pass 2) and a maximum of 8 composites allowed per drillhole. • The maximum distance of extrapolation points within the method was 45 m. • The previous resource estimate was carried out by Kefi in February 2014. Comparison between the August 2014 and February 2014 estimates shows the most recent estimate has reported 8% more tonnes, 12% less grade and 3% less ounces than the February 2014 estimate. This is based on the potential for both open pit and underground mining using cut offs of 0.45 g/t Au and 2.5 g/t Au, respectively. • Tulu Kapi is essentially a gold deposit and due to the low unit value of silver all exploration work and resource estimates have focused on gold and no emphasis has been placed on the presence of, and estimate of a silver Mineral Resource. Kefi did not carry out an estimate of silver resources in this resource update. • Following grade estimation a statistical and visual assessment of the block model was undertaken for validation purposes. Visual comparison of composite sample grade and block grade was conducted in cross section and in plan. Visually the model was considered to spatially reflect the composite grades. Statistical analysis of the block model was carried out for comparison against the composited drillhole data. The mean block model grade for each domain and its corresponding mean composite grade compared well as did global averages. Sectional trend plots were generated which indicate that there is a good local reproduction of the input grades in both the horizontal and vertical directions. No obvious interpolation issues were identified and there is no evidence of significant over or under-estimation apparent in the model.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages were estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• Previous mineralized zone interpretations from the November2012 resource estimate by Wardell Armstrong were based on contiguous length analyses to define the mineralization and identify a suitable

Criteria	JORC Code explanation	Commentary
		grade boundary to separate mineralized from non-mineralized syenite. A cut-off grade of 0.3 g/t Au had been used in the 2012 resource estimate to define the mineralization for both the saprolite and fresh material. Kefi and Snowden have kept the same cut-off grade after reviewing the grade distributions and agreeing that there is a change in population at around 0.3 g/t Au. • The reporting cut-off for this 2014, Mineral Resource is 0.45 g/t Au for open pit material (above 1400 mRL) and 2.5 g/t Au for underground potential (below 1400 mRL) which is based on open pit optimization studies carried out as part of reviews of the previous definitive feasibility study works. • Kefi have carried out reviews with independent mine planning contractors using updated gold prices of $1200/oz and updated costing parameters and production rates to reflect lower gold prices than those used in the definitive feasibility study.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The Mineral Resource has been reported as mineable by open pit methods above 1400 mRL which is the bottom out elevation for the pit optimization shells generated as part of review of the 2012 definitive feasibility study. • Below 1400 mRL the Mineral Resource is reported as potentially mineable by underground methods.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Metallurgical testwork was carried out to definitive feasibility study level during the November 2012 resource period and demonstrated feasible metallurgical recovery for the Tulu Kapi project. This information was reviewed by Kefi technical staff and confirmed to be technically and economically sound.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project,*	• A detailed Environment Impact Statement and plant and infrastructure design was carried out to definitive feasibility study level during the November 2012 resource period and demonstrated the project to be environmentally sound and sustainable. This information was reviewed by Kefi technical staff and confirmed to be technically and in compliance with relevant environmental laws and legislation.

Criteria	JORC Code explanation	Commentary
	may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Kefi, after technical review, used the same procedures for density allocation within the saprolite and fresh zones within the block model as carried out by Wardell Armstrong in the November 2012 resource calculation. • A global (dry) density value of 1.4 t/m3 was used for all saprolite material. A global (dry) density value of 2.7 t/m3 was used for all fresh material. From field measurements (over 10,000 samples) the average density of the mafic syenite (mineralisation) is 2.736 t/m3 and so the use of 2.7 t/m3 is robust and slightly conservative. • Density values for the fresh material have been derived from density measurements carried out by ROCKLAB supplemented by additional density testing on site by Nyota. The measurements represent a dry density. • Saprolite density has been derived from limited work carried out by Nyota and testwork at ROCKLAB (2011). The value of 1.4 t/m3 was considered by Wardell Armstrong to be appropriate until a comprehensive study of density measurements of the saprolite material is completed. • In 2012 Nyota submitted 56 samples of saprolite material for analysis at Water Works and Supervision Enterprise Laboratory Service Sub Process, Addis Ababa, Ethiopia. The results of this testwork recorded an average bulk density of 1.86 gm/cc and dry density of 1.47 gm/cc. Wardell Armstrong considered the saprolite value of 1.4 t/m3 to be relatively low compared to other saprolite projects and continued assessment should be practiced. Kefi has planned to implement an ongoing assessment of saprolite density checks
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• Criteria for defining resource categories were derived from a combination of the geostatistical studies (grade continuity), interpreted structural continuity and drillhole spacing. • The main central area of the deposit coincides with the greatest ore body thicknesses and also the greatest continuity of mineralization. The drillhole spacing in this area is generally on a 40 m by 40 m grid, down to 20 m by 20 m in some areas and is therefore relatively well drilled for the mineralization style. The nature of the geological and

Criteria	JORC Code explanation	Commentary
		grade continuity encountered within the deposit means this area is considered to be suitable for reporting of Indicated Mineral Resources • In areas outside the central zone the orebody thickness and continuity of mineralisation appear to reduce and drillhole spacing in these areas ranges from 40 m by 80 m up to 80 m by 80 m. The drillhole spacing and nature of mineralization in these areas are suitable for reporting of Inferred Mineral Resources. • For the central zone, search radii used during grade estimation were also used to define classification. Consistent areas of blocks estimated in the first and second searches (within the variogram range) were classified as Indicated Resources and blocks consistently estimated in the third search pass were classified as Inferred Resources. • The majority of Mineral Resources contained within the north fault block, (UNDP) are classified as Inferred Resources, except for a portion representing more closely spaced drilling (approximately 40 m 40 m) which was estimated in first and second search passes.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• An independent verification of the resource model has been carried out by Snowden. Snowden's check reporting, using the same reporting criteria, confirms that the tonnes and grade match those in the reported resource tabulations. Snowden has independently validated the estimate and checked each stage of the estimation process including review of all parameters, macros and classification criteria. Snowden considers that there are no material issues with the estimate. • A final report is expected to make a number of technical recommendations including development of wireframes to further refine the mineralisation interpretation.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local*	• Statistical and visual validation and checking of the block model confirm it performs as expected globally and locally in plan and section within the 2014 drill database and structural comparison with surface and trench mapping confirm mineralized zones to outcrop where expected and be the approximate thickness as indicated by the block model. • Model validation, the drilling grid and observation of the grade and mineralization continuity lead Kefi to consider the central part of the deposit suitable for an Indicated Resource category and peripheral

Criteria	JORC Code explanation	Commentary
	estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	areas suitable for an Inferred Resource category. • The nature of the mineralization and the relatively high nugget content may result in local grade estimates being of a relatively low confidence. It is likely that closely spaced channel sampling / bulk sampling or grade control drilling will be required for the classification of Measured Resources

-Ends-